

# Exhibit 2

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA  
AIKEN DIVISION

UNITED STATES OF AMERICA

CR. NO.: 1:16-cr-632

v.

HANNAH CARROLL	18 U.S.C. § 1962(d)
ROSE M. MULHOLLAND	18 U.S.C. § 1341
KIM MULHOLLAND	18 U.S.C. § 1343
CAROLINE SHERLOCK	18 U.S.C. § 1956(a)(1)(A)(i)
CATHERINE CARROLL	18 U.S.C. § 1956(a)(1)(A)(ii)
ANTHONY CARROLL	18 U.S.C. § 1956(a)(1)(B)(i)
JOHNNY M. SHERLOCK	18 U.S.C. § 1957
MARY RITA SHERLOCK	18 U.S.C. § 2314
LESLIE ANN SHERLOCK	31 U.S.C. § 5324
JIMMY J. CARROLL	18 U.S.C. § 1963(a)(3)
MARY COSTELLO	18 U.S.C. § 1963(a)(1) and 2
MARY GORMAN CARROLL	18 U.S.C. § 981(a)(1)(C)
JIMMY GORMAN	18 U.S.C. § 982(a)(7)
LESLIE C. GORMAN	31 U.S.C. § 5317
RENEE CARROLL	28 U.S.C. § 2461(c)
ROSE S. MULHOLLAND	
SUSAN SHERLOCK	
TOMMY SHERLOCK	
WILLIAM CAROLL	
JOHNNY MACK	
LEONARD NEW	
ANGELA ASKEW	

INDICTMENT

COUNT 1

THE GRAND JURY CHARGES:

The RICO Enterprise

- At all times relevant to this Indictment, the defendants, HANNAH CARROLL, ROSE M. MULHOLLAND, KIM MULHOLLAND, CAROLINE SHERLOCK, CATHERINE CARROLL, ANTHONY CARROLL, JOHNNY M. SHERLOCK, MARY RITA SHERLOCK,

LESLIE ANN SHERLOCK, JIMMY J. CARROLL, MARY COSTELLO, MARY GORMAN CARROLL, JIMMY GORMAN, LESLIE GORMAN, RENEE CARROLL, ROSE S. MULHOLLAND, SUSAN SHERLOCK, TOMMY SHERLOCK, WILLIAM CAROLL, JOHNNY MACK, LEONARD NEW, and ANGELA ASKEW, and others, both known and unknown to the Grand Jury, are members and associates of a criminal organization that operates in Murphy Village in South Carolina and elsewhere.

2. Murphy Village is located near North Augusta, South Carolina. Murphy Village was founded by "Travelers," a self-identified group of itinerant laborers and salesmen who offer services door to door. The men will "travel" to other States during favorable weather to work in various construction-related jobs, while the women generally will remain in Murphy Village. Murphy Village is insular and isolated. The Travelers speak a unique dialect of English and Gaelic, which is called "Cant", in addition to normal English. Travelers refer to non-Travelers as "country people." Many of the defendants are Travelers and reside in Murphy Village where they own large homes, luxury cars, and expensive jewelry and clothes, which are often acquired through the fraud schemes or acquired with the proceeds of the fraud schemes described below.

3. This criminal organization, including its members and associates constitutes an Enterprise as defined in Title 18, United States Code, Section 1961(4), that is, a group of individuals associated in fact that engaged in, and the activities of which affected, interstate commerce. The Enterprise constitutes an ongoing organization whose members functioned as a continuing unit for the common purpose of achieving the objectives of the criminal Enterprise. The enterprise was engaged in, and its activities affected, interstate commerce.

Purpose of the Enterprise

4. The purposes of the Enterprise included the following:
  - a. Enriching the members and associates of the Enterprise through defrauding the United States and the State of South Carolina of government benefits, including food stamp benefits, health care benefits, and fraudulent tax refunds and credits;
  - b. Enriching the members and associates of the Enterprise through defrauding financial institutions and lenders;
  - c. Enriching the members and associates of the Enterprise through defrauding insurance companies;
  - d. Enriching the members and associates of the Enterprise through defrauding victims who appeared to be vulnerable and naïve through various crimes, including but not limited to, theft, swindling, and deceptive and fraudulent construction and service work;
  - e. Maintaining, protecting, and continuing the Enterprise;
  - f. Laundering money to conceal the source, ownership and control of the money, and to promote criminal activity, and structuring withdrawals and deposits of bank accounts to avoid the bank reporting requirements.
  - g. Acquiring and displaying wealth for advancement and status in the Enterprise.
  - h. Devising, and intending to devise, with knowledge and intent to defraud, schemes and artifices to defraud and to obtain money by means of materially false and fraudulent pretenses, representations, and promises as part of the Enterprise.

The RICO Conspiracy

6. Beginning on a date unknown to the Grand Jury and continuing to the date of the Indictment, in the District of South Carolina and elsewhere, the Defendants HANNAH CARROLL, ROSE M. MULHOLLAND, KIM MULHOLLAND, CAROLINE SHERLOCK, CATHERINE CARROLL, ANTHONY CARROLL, JOHNNY M. SHERLOCK, MARY RITA SHERLOCK, LESLIE ANN SHERLOCK, JIMMY J. CARROLL, MARY COSTELLO, MARY GORMAN CARROLL, JIMMY GORMAN, LESLIE GORMAN, RENEE CARROLL, ROSE S. MULHOLLAND, SUSAN SHERLOCK, TOMMY SHERLOCK, WILLIAM CAROLL, JOHNNY MACK, LEONARD NEW, and ANGELA ASKEW, and others, both known and unknown to the Grand Jury, with each other and with others both known and unknown to the Grand Jury, being persons employed by and associated with the Enterprise described above, an Enterprise which engaged in, and the activities of which affected, interstate commerce, knowingly and intentionally conspired to violate Title 18, United States Code Sections, 1962(c), that is, to conduct and participate, directly and indirectly, in the conduct of the affairs of that Enterprise through a pattern of racketeering activity consisting of multiple acts indictable under:

- a. Title 18, United States Code, Section 1341 (Mail Fraud);
- b. Title 18, United States Code, Section 1343 (Wire Fraud);
- c. Title 18, United States Code, Sections 1956 (Money Laundering);
- d. Title 18, United States Code, Section 1957 (Monetary Transactions);
- e. Title 31, United States Code, Section 5324 (Structuring Transactions to Evade Reporting Requirements).

7. It was a part of the conspiracy that each defendant agreed that a conspirator would commit at least two acts of racketeering activity in the conduct of the affairs of the Enterprise.

Manner and Means of the RICO Conspiracy

8. The manner and means used by the defendants and their associates in conducting and participating in the conduct of the affairs of the Enterprise included the following:

a. Members and associates of the Enterprise defrauded the Federal Government and the State of South Carolina of food stamp benefits under the SNAP program by submitting false and fraudulent information regarding their income and employment on food stamps applications and re-certifications. The SNAP program provides food stamps only for the poor, and members and associates of the Enterprise fraudulently understated their income and employment on food stamp applications to obtain these benefits for which they were not entitled. Members and associates of the Enterprise sent the applications for food stamp benefits via the U.S. mail for the purpose of executing the scheme to defraud the Federal Government and the state of South Carolina.

b. Members and associates of the Enterprise defrauded the Federal Government and the State of South Carolina of health care benefits under the Medicaid program by submitting false and fraudulent information regarding their income and employment on health insurance applications. Medicaid is a medical assistance program for certain low-income individuals and families. Medicaid is primarily funded by the Federal Government but primarily administered and regulated by the state, and members and associates of the Enterprise fraudulently understated their income and employment on health insurance applications to obtain these benefits for which they were not entitled. Members and associates of the Enterprise sent the applications for Medicaid benefits via the U.S. mail

for the purpose of executing the scheme to defraud the Federal Government and the state of South Carolina.

c. Members and associates of the Enterprise defrauded financial institutions, lenders and automobile financing companies by obtaining loans for the purchase of automobiles. Members and associates of the Enterprise fraudulently overstated or allowed others to fraudulently overstate their income and employment on such loan applications and submitted fraudulent documents to substantiate information on financing applications. Members and associates of the Enterprise knowingly caused the fraudulent automobile loan applications to be filed electronically by means of wire communication in interstate commerce for the purpose of executing the scheme to defraud. Members and associates of the Enterprise frequently rolled back the odometers of their vehicles when trading or selling the vehicles and to minimize mileage under lease agreements.

d. Members and associates of the Enterprise defrauded life insurance companies by submitting false and fraudulent information regarding the insured's health and financial status on insurance applications or allowed others to submit false and fraudulent information regarding the insured's health and financial status on insurance applications. In some instances, members and associates of the Enterprise obtained life insurance policies on other members and associates of the Enterprise, and they often misrepresented their relationship to the insured, as well as the health of the insured, on the insurance applications. Members and associates of the Enterprise sent or allowed co-conspirators to send the applications for life insurance via the U.S. mail and interstate wires for the purpose of executing the scheme to defraud.

- e. Members and associates of the Enterprise laundered funds by conducting financial transactions with purpose of promoting an unlawful activity. In some instances, proceeds of unlawful activities were used to pay for fraudulently obtained life insurance policies and fraudulently obtained automobiles
- f. Members and associates of the Enterprise laundered funds by conducting financial transactions with the purpose of disguising the source, the ownership, or the control of proceeds of a specified unlawful activity. When money from unlawful activities was deposited, individuals would make numerous cash withdrawals to hide the source, ownership and control of the proceeds.
- g. Members and associates of the Enterprise conducted financial transactions over \$10,000 that included proceeds of specified unlawful activity.
- h. Members and associates of the Enterprise structured the withdrawals and deposits into bank accounts in amounts of \$10,000 or less to avoid the bank reporting requirements.

Members and associates of the Enterprise defrauded a person known to the Grand Jury by using interstate wires and facilitates of interstate commerce.

All in violation of Title 18, United States Code, Section 1962(d).

**COUNTS 2-9****THE GRAND JURY FURTHER CHARGES:**

8. Paragraphs 1 through 8 of Count 1 of this Indictment are incorporated herein by reference as setting forth a scheme and artifice to defraud;

9. On or about the dates listed below, in the District of South Carolina and elsewhere, the defendants as listed below, as principals, aiders and abettors, and co-participants in jointly undertaken criminal activity, for the purpose of executing the above described scheme and artifice to defraud, did transmit and cause to be transmitted in interstate commerce, by means of a wire, certain signs, signals, and sounds certain items, as described below;

Count	Defendant(s)	Date	Wire Transmission
2	RENEE CARROLL	2/3/2014	Transmission of credit application to Chrysler Capital
3	JOHNNY MACK	2/19/2014	Telephone call to defraud R.G.
4	JOHNNY MACK	3/28/2014	Telephone call to defraud R.G.
5	ROSE M. MULLHOLLAND	10/31/2014	Transmission of credit application to Chrysler Capital
6	JOHNNY M. SHERLOCK	2/28/2014	Transmission of credit application to Chrysler Capital
7	ANGELA ASKEW	4/10/2015	Fax of fraudulent documents to Jim Satcher for B.O. credit application
8	ANGELA ASKEW	4/24/2015	Fax of fraudulent documents to Jim Satcher for P.S. credit application
9	TOMMY SHERLOCK SUSAN SHERLOCK	4/27/2015	Transmission of credit application to Chrysler Capital

All in violation of Title 18, United States Code, Sections 1343 and 2.

**COUNTS 10-29****THE GRAND JURY FURTHER CHARGES:**

10. Paragraphs 1 through 8 of Count 1 of this Indictment are incorporated herein by reference as setting forth a scheme and artifice to defraud;

11. On or about the dates listed below, in the District of South Carolina and elsewhere, the defendants as listed below, as principals, aiders and abettors, and co-participants in jointly undertaken criminal activity, for the purpose of executing the above described scheme and artifice to defraud, did knowingly place in a post office and authorized depository for mail to be sent and delivered by the Postal Service, and did cause the matter to be sent and delivered by the Postal Service or private and commercial carriers, and did take and receive therefrom such checks, and did knowingly cause them to be delivered by mail and such carrier according to the direction thereon, as described below;

Count	Defendant(s)	Date	Mailing Related
10	MARY GORMAN CARROLL	10/14/2011	Food Stamp benefits
11	CATHERINE CARROLL ANTHONY CARROLL	3/29/2012	Food Stamp benefits
12	JIMMY GORMAN LESLIE C. GORMAN	11/2/2012	Medicaid benefits
13	CATHERINE CARROLL	2012	Medicaid benefits
14	CAROLINE SHERLOCK	4/17/2013	Food Stamp benefits
15	CAROLINE SHERLOCK	4/17/2013	Medicaid Benefits
16	LESLIE ANN SHERLOCK	4/22/2013	Food Stamp benefits
17	KIM MULHOLLAND	8/7/2013	Medicaid benefits
18	JIMMY GORMAN LESLIE C. GORMAN	9/4/2013	Food Stamp benefits
19	MARY COSTELLO	10/24/2013	Medicaid benefits
20	JOHNNY M. SHERLOCK	10/28/2013	Medicaid benefits
21	ROSE M. MULHOLLAND	3/24/2014	Death benefit check for W.C.S.
22	CATHERINE CARROLL ANTHONY CARROLL	10/3/2014	Food Stamp benefits
23	LESLIE ANN SHERLOCK	10/31/2014	Food Stamps benefits

24	MARY GORMAN CARROLL	11/17/2014	Food Stamp benefits
25	SUSAN SHERLOCK TOMMY SHERLOCK	1/12/2015	Food Stamp benefits
26	RENEE CARROLL	1/15/2015	Food Stamp benefits
27	MARY RITA SHERLOCK JOHNNY M. SHERLOCK	1/28/2015	Food Stamp benefits
28	KIM MULHOLLAND HANNAH CARROLL	1/29/2015	Food Stamp benefits
29	LESLIE ANN SHERLOCK	4/20/2015	Food Stamp benefits

All in violation of Title 18, United States Code, Sections 1341 and 2.

**COUNTS 30-36****THE GRAND JURY FURTHER CHARGES:**

12. Paragraphs 1 through 8, of Count 1 of this Indictment are incorporated herein by reference as setting forth a scheme and artifice to defraud;

13. On or about the dates listed below, in the District of South Carolina and elsewhere, the below listed defendants, and others, both known and unknown to the Grand Jury, as principals, aiders and abettors, and co-participants in jointly undertaken criminal activity, for the purpose of executing the above-described scheme and artifice to defraud, did knowingly structure or assist in structuring or attempt to structure, deposits and withdrawals at a financial institution for the purposes of evading a reporting requirements, as describe below;

Count	Defendant	Date	Activity
30	MARY COSTELLO	6/30/11- 10/11/11	Cash withdrawals under the reporting requirement, from death benefit check proceeds
31	MARY GORMAN CARROLL	8/15/11- 8/30/11	Cash withdrawals under the reporting requirement, from death benefit check proceeds of \$105,000
32	RENEE CARROLL	11/28/11- 2/27/12	20 cash deposits of \$10,000
33	LESLIE C. GORMAN	10/10/13- 10/17/13	Cash withdrawals under the reporting requirement
34	HANNAH CARROLL	1/7/14- 1/30/14	12 cash withdrawals of \$10,000, from death benefit check proceeds
35	LESLIE ANN SHERLOCK	4/26/14- 1/26/15	Cash withdrawals under the reporting requirement, from death benefit check proceeds
36	MARY COSTELLO	11/3/14- 1/1/16	Cash withdrawals under the reporting requirement, from death benefit check proceeds

All in violation of Title 31, United States Code, Section 5324.

**COUNTS 37-45****THE GRAND JURY FURTHER CHARGES:**

14. Paragraphs 1 through 8, of Count 1 of this Indictment are incorporated herein by reference as setting forth a scheme and artifice to defraud;

15. On or about the dates listed below, in the District of South Carolina and elsewhere, the below listed defendants, and others, both known and unknown to the Grand Jury, as principals, aiders and abettors, and co-participants in jointly undertaken criminal activity, for the purpose of executing the above-described scheme and artifice to defraud, did knowingly transport, cause to be transported in interstate commerce from states outside as described below, into South Carolina items described below, all items which are over \$5,000, as described below:

Count	Defendant	Date	Activity
37	CATHERINE CARROLL	2/16/2013	Audi 4G from Georgia
38	MARY GORMAN CARROLL	7/21/2014	Audi A7 from Georgia
39	JIMMY GORMAN	8/25/14	2014 Cadillac from Georgia
40	HANNAH CARROLL	9/5/2014	BMW X5 from North Carolina
41	MARY COSTELLO	7/27/2015	Mercedes Benz CLS400 from New York
42	ROSE S. MULHOLLAND	8/29/2015	Dodge Ram 2500
43	JOHNNY MACK	9/3/2015	Jeep Cherokee from Georgia
44	CAROLINE SHERLOCK	9/9/2015	Lexus GX460 from Georgia
45	MARY RITA SHERLOCK	10/3/2015	Audi A6 from Georgia

All in violation of Title 18, United States Code, Section 2314.

## FORFEITURE

### I. RACKETEERING:

A. The allegations of Count 1 of this Indictment are hereby repeated, realleged, and incorporated by reference herein. Pursuant to Title 18, United States Code, Section 1963(a), upon conviction of the offenses set forth in Count 1, the Defendants, HANNAH CARROLL, ROSE M. MULHOLLAND, KIM MULHOLLAND, CAROLINE SHERLOCK, CATHERINE CARROLL, ANTHONY CARROLL, JOHNNY M. SHERLOCK, MARY RITA SHERLOCK, LESLIE ANN SHERLOCK, JIMMY J. CARROLL, MARY COSTELLO, MARY GORMAN CARROLL, JIMMY GORMAN, LESLIE GORMAN, RENEE CARROLL, ROSE S. MULHOLLAND, SUSAN SHERLOCK, TOMMY SHERLOCK, WILLIAM CAROLL, JOHNNY MACK, LEONARD NEW, and ANGELA ASKEW, shall forfeit to the United States the following

property:

- (1) Any interest acquired or maintained in violation of Section 1962, which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(1);
- (2) Any interest in, security of, claim against, or property or contractual rights of any kind affording a source of influence over, the Enterprise described in Count 1 which was established, operated, controlled, conducted and or participated in the conduct of, in violation of section 1962; which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(2); and
- (3) Any property constituting or derived from proceeds obtained directly and indirectly from racketeering activity in violation of Title 18, United States Code, Section 1962, which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(3);

II. SPECIFIED UNLAWFUL ACTIVITIES:

Upon conviction for violations of Title 18, United States Code, Sections 1343, 1341, and 2314 as charged in Counts 2-31 and 38-45 of this Indictment, the Defendants, HANNAH CARROLL, ROSE M. MULHOLLAND, KIM MULHOLLAND, CAROLINE SHERLOCK, CATHERINE CARROLL, ANTHONY CARROLL, JOHNNY M. SHERLOCK, MARY RITA SHERLOCK, LESLIE ANN SHERLOCK, JIMMY J. CARROLL, MARY COSTELLO, MARY GORMAN CARROLL, JIMMY GORMAN, LESLIE GORMAN, RENEE CARROLL, ROSE S. MULHOLLAND, SUSAN SHERLOCK, TOMMY SHERLOCK, WILLIAM CAROLL, JOHNNY MACK, and ANGELA ASKEW, shall forfeit to the United States any property, real or personal, constituting, derived from or traceable to proceeds the Defendants obtained directly or indirectly as a result of such offenses, pursuant to 18 U.S.C. §§ 981(a)(1)(C), 982(a)(7), and 28 U.S.C. § 2461(c).

III. STRUCTURING:

Upon conviction for violations of Title 31, United States Code, Section 5324, as charged in Counts 32-37 of this Indictment, the Defendants, HANNAH CARROLL, LESLIE ANN SHERLOCK, MARY GORMAN CARROLL, and RENEE CARROLL, shall forfeit to the United States any property, real or personal, involved in the offense and any property traceable thereto, pursuant to 31 U.S.C. § 5317(c)(1) and 28 U.S.C. § 2461(c).

IV. PROPERTY:

The property subject to forfeiture includes, but is not limited to, the following A sum of money equal to all proceeds the Defendants obtained, directly or indirectly, from the offenses charged in this Indictment, and all interest and proceeds traceable thereto, and/or that such sum equals all property involved in or traceable to their violations of 18 U.S.C. §§ 1963, 1343,

1341, 5317 and 2314, and all interest and proceeds traceable thereto, for which the defendants are jointly and severally liable

2. Vehicles:

1. 2013 Ford Edge  
VIN: 2FMDK3JC0DBC83490
2. 2016 Audi A6  
VIN: WAUDFAFC5GN059031
3. 2016 Lincoln J6KG  
VIN: 2LMPJ6KR7GBL27918
4. 2014 Lincoln MKZ  
VIN: 3LN6L2G97ER834819
5. 2015 Lincoln MKZ  
VIN: 3LN6L2690FR614309
6. 2014 Ram 1500  
VIN: 1C6RR6FT4ES278792
7. 2015 Chevy Silverado  
VIN: 1GC1KXEG1FF618429
9. 2014 Audi Q7 Premium  
VIN: WA1LGAFE0ED009275
10. 2015 Chevy Silverado  
VIN: 1GC1KXE84FF650610
11. 2015 BMW 640I  
VIN: WBA6A0C57FGB53750
12. 2002 Lexus LS430  
VIN: JTHBN30FX20092171
13. 2014 Audi AGA51A  
VIN: WAU2GAFC9EN083236
14. 2014 Lexus LS460  
VIN: JTHBL5EF6E5131114

15. 2012 Ford 250  
VIN: 1FTBF2A6XCEB28484
16. 2015 Mercedes CLS400  
VIN: WDDLJ6HB5FA133624
17. 2015 Ford F-150  
VIN: 1FTEW1EF6FFA78425
18. 2015 BMW X5  
VIN: 5UXKR0C58F0K54651
19. 2015 BMW 640I  
VIN: WBA6A0C53FD318952
20. 2013 Ford F-150  
VIN: 1FTFW1CF2DFC42497
21. 2014 Ford F-150  
VIN: 1FTFW1EF6EKE16433
22. 2014 Dodge Ram  
VIN: 1C6RR6FT8ES172359
23. 2015 Porsche Panamera  
VIN: WP0AA2A73FL006309
24. 2015 Lexus GX460  
VIN: JTJBM7FX0F5119444
25. 2015 Ram 1500  
VIN: 1C6RR6NT3FS542670

3. Real Properties:

1. 1020 Kerry Court  
North Augusta, South Carolina  
Primary Owner: Rose Marie Mulholland  
APN: 010-06-05-015
2. 107 Mistletoe Court  
North Augusta, South Carolina  
Primary Owner: Theresa Liza Carroll  
APN: 010-09-02-008
3. 117 Butterfly Drive

North Augusta, South Carolina  
Primary Owner: Tommie J. Sherlock  
APN: 010-10-04-003

4. 199 Kildare Drive  
North Augusta, South Carolina  
Primary Owner: Betty Rose Carroll
5. 1016 Kerry Court  
North Augusta, South Carolina  
Primary Owner: Rose Mulholland  
APN: 010-06-05-014

V. SUBSTITUTION OF ASSETS:

If any of the property described above as being subject to forfeiture, as a result of any act or omission of the Defendants --

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 1963(m) and 982(b)(1), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of defendants up to an amount equivalent to the value of the above-described forfeitable property;

Pursuant to Title 18, United States Code, Sections 1963(a)(3), 1963(a)(1), 981(a)(1)(C), 982(a)(7); Title 31, United States Code, Section 5317; and Title 28, United States Code, Section 2461(c).

A TRUE BILL

Redacted

FOREPERSON



BETH DRAKE (jhm)  
ACTING UNITED STATES ATTORNEY

RECORD OF GRAND JURY BALLOT

c/ 1:16cr632

THE UNITED STATES OF AMERICA v. HANNAH CARROLL, ET AL.

(SEALED UNTIL FURTHER ORDER OF THE COURT)